SECRETARY OF DEFENSE WILLIAM J. PERRY INTERVIEW WITH THE EDITORIAL BOARD OF THE SAN JOSE MERCURY NEWS SAN JOSE, CA JULY 8, 1994

Secretary Perry: ...I met with the community who had formed a reuse group which they called FORG, the Fort Ord Reuse Group. It included representatives from all of the communities around there, which are very diverse communities-from Carmel to Seaside. They have very diverse interests, not surprisingly. The Army and the university had an interest in some of the property there, so they were all part of this reuse group.

It was a very good meeting, and I made some promises to them at that meeting. The first promise was that we in the Defense Department would assist them in the planning of their reuse, including providing funds for that purpose.

I told them that we would, if they identified a need for the land, we would convey this land to them without cost instead of selling it to them. The policy up until then had been selling the land at the best price the government could get. But I said, "If it is for a governmental activity or a non-profit activity, we will arrange to convey it."

Third, and very importantly, we would do this expeditiously. Some of the previous transfers had dragged on for four, five and six years. Part of the problem here, this wasn't just because people were lazy or indifferent, because the environmental regulations in transferring properties are very complicated. So I said, understanding that, "We'll put some environmental experts to work to try to facilitate and expedite this process."

And finally, we would appoint a full-time ombudsman to work with Fort Ord, not only to represent the communication back to the Defense Department, but the whole set of government agencies involved is bewildering. It's absolutely

bewildering to a community to try to deal with seven or eight different agencies of the federal government that stick their oar in this. And you really have to deal with them, you can't ignore them.

So that's what I promised them. At the same time, I left them with two challenges. The first is that they had to speak to the U.S. Government with a single voice. We could not help them if we had six different opinions coming to us. They had to take this reuse group and somehow let it represent the consensus of the community. We could not try to referee between the different opinions which we had been getting up until that time. The community was very much apart at that point. So I said, "I'll do these things for you, but you must speak to us with a single voice."

"Secondly, related to that, you must come up with a detailed reuse plan--your plan, not our plan. When you have that plan, then all of our assistance will be funneled to try and help you make that plan happen."

In particular, we said that if you can get the communities and the universities together and the plans for a new university campus, I will specifically assist you in helping you make that campus a reality.

There's been a lot of work since then. They have brought the reuse group together. They have put together the plan. Part of that plan has included a proposal for turning over a big chunk of that property to the University of California and the California State University. We have a final agreement between the government and the communities and universities on what the terms of that transfer will be. Basically, it will amount to a transfer of property which has been estimated to be worth about \$1 billion over to the university systems. We're having a big ceremony down there this morning, and I'm going down to preside over and give a little talk to the reuse group and the community as we transfer the documents. This is not a formal property transfer, it's transferring the Memorandum of Agreement which will be the basis of which the Regents then will be able to actively affect the final transfer of documents.

So I'm delighted at this turn of events, and I want to go down and celebrate it. In terms of celebrating it, not just because I personally enjoy that, but because we want to use the Fort Ord example as a model for other cities, not only for the '93 base closing which is underway in a lot of different communities around the country, but we have one more base closing coming up in '95. So we want to be able to demonstrate that it can be done and done right, and it looks like Fort Ord might be the model we want. We set them up as a model program. One of the benefits of that to us was that we could use them as an example for other communities.

That's why I came here-two different, unrelated purposes of my visit.

- Q: Let me take you back to the years when you, as an expert, and I, as a neophyte, were both dealing with arms control at Stanford. You were a very important voice in this newspaper and elsewhere, challenging some of the Reagan doctrine. But now some of the Reagan people say well, it worked. We spent the former Soviet Union into oblivion, and all the talk about what we were doing has turned out not to be true. We were successful. What's your answer to that?
- A: There are several different points bundled together in your question. What caused the collapse of the Soviet Union is one of them. It's my belief that the collapse of the Soviet Union was caused by internal inconsistencies in that system, and it was bound to happen. All of the signs of that collapse were evident, I think, in the '70s. Some of them were evident at the time, other were evident in retrospect.

I think what finally accelerated the ending... I would have guessed that it would go on through this century. I was not expecting it to collapse as soon as it did. So, did the U.S. military buildup in the '80s accelerate that? Possibly. It's my own estimate that what brought it to pass was the leaders who were sustaining the old way finally reached their 70's, and died. So if you recall, we were through during the mid '80s, this sequence of succession to Brezhnev by three or four of the geriatric class there, and then finally they brought in a new generation of leadership in Gorbachev. I think it was clear from the first day that Gorbachev was out to reform the government in a fundamental way. We have quite a bit of information about Gorbachev, his writings, I think, that make that clear.

So I think the seminal event in this collapse of the Soviet Union was the coming to power of a new generation in Russia, and a generation which was determined to reform the system. What happened in Russia was not at all what Gorbachev wanted to happen or planned to happen, but it was probably an inevitable consequence of the forces which he unleashed.

- Q: How do you go about, in a situation that looks totally volatile and chaotic in the former Soviet Union, of sorting out what our security concerns are and what we want to have happen there?
- A: We continue to have some very great national interest in what happens in Russia. It's still, in my judgment, the number one national security problem for the United States. Not because they pose the kind of threat to us that they did during the '70s or '80s, but because there's the danger of a collapse of the government there in either of two ways. One of which is a reversion to a militaristic, fascist government hostile to the West that might be rebuilding a military threat to the West; and the other is the threat of anarchy, chaos occurring in the system. Either of those would pose security problems to the United States. Not because we would see a reversion to the kind of threat we had when there was a Soviet Union and a Warsaw Pact, I don't believe we're ever going to revert back to

that particular forum or because there's any prospect of the Red Army returning to its former menacing threat but because they continue to have 25,000 nuclear weapons. Either of the conditions which I postulated is possible and would be a threat to our national security, indeed to world stability, because of the presence of that large nuclear arsenal.

Therefore, it seems to me that our policy should have several different components to it, one of which is to do what we can to try to influence the positive outcome to the turmoil that's going on in the Soviet Union today. We cannot control it, but we can influence, and we ought to try. We owe it to our children to try to do that. So, part of our policy is trying to do that. I can pursue the threat of what we're doing and why we're doing it and what success we're having is something I've spent a lot of time and energy in. I've had more meetings with the Russian Minister of Defense than any of my counterparts in any two or three countries put together. It's an important part of my activity.

The second thing that we're doing, which is very pragmatic and very much oriented to the problem over there, is spending defense resources, defense dollars, to help the Russians dismantle their nuclear arsenal and to help them convert their defense industry. Both of those are huge undertakings, but we can contribute more than in the margin on this, and we are.

We have been criticized for using U.S. defense resources for that, but I have argued, and successfully argued, with the Congress, that this is defense by other means. You can build a system to shoot down the systems with nuclear warheads, or you can spend a much smaller amount of money to get them to dismantle the nuclear warheads.

I don't know whether you saw the picture which came out during my last visit to Russia, but when I visited there they took me to the site, Pervomaysk, which is one of the most modern ICBM sites. We went to the silo, opened the lid, and there was the SS-24 missile sitting in the silo, but all the warheads were gone. They were going courtesy of USA. We had put up the money and made the agreement to have all of those warheads shipped back to the dismantlement factory. To this date, at that one site alone, 300 warheads have been sent for dismantlement that were formerly on SS-24 missiles aimed at the United States.

Now that's, you say, a drop in the bucket, but it's a very important step in the right direction. It's part of the agreement which President Clinton, President Kravchuk and President Yeltsin made in Moscow in January--the so-called "Trilateral Accord"--to dismantle all of the nuclear weapons in Ukraine. That's more than 2,000 nuclear weapons. So that's a big step forward.

We're doing the same sort of things with the missiles that are deployed in Russia, in Kazakhstan and in Belarus, the four states of the former Soviet Union that have nuclear weapons.

So, on the one hand, assisting them to stabilize their economy and the political system in modest ways, and in important ways, assisting them in the dismantlement of the nuclear weapon. We also provide some assistance to them in the conversion of their defense industry. God knows that's a big problem. We have enough problems trying to do it in the United States. It's easier to do it in Russia because the companies, if they can convert, don't have to compete on world markets as our companies immediately have to do. We have had, actually, some modest success in effecting the conversion of some of the big Russian defense dinosaurs over there.

- Q: It's not a far step from what you've just been talking about to what you see as the future role of NATO and how that (inaudible).
- A: NATO, as it's turning out, is playing a more important, not a less important, role in the last few years and in the years ahead. And it has served as a... It looks like it can serve as one of the principal institutions for integrating Eastern Europe with Western Europe. It's truly ironic. Here was the organization that depended and aligned and separated East and West Europe. Now it is the institution which has been most viable in trying to integrate from Western to Eastern Europe.

I was at a NATO meeting in April where the 18 nations signed the so-called "Partnership for Peace." These are mostly Eastern European nations, many of which want to be members of NATO. We're not accepting new members of NATO at this time, but we did hold out a hand to them through this Partnership for Peace. Again, if you want to follow in more detail what that's all about, I'll be happy to discuss it. But in simple terms, it allows sort of an associate membership in NATO for purposes of common training, common exercises, and peacekeeping operations.

The most important symbolism I have seen of the East Europe/Western Europe integration was when we took all 18 of those Defense Ministers, along with the NATO Defense Ministers, out to NATO Headquarters at Mons which is where the military planning had been done for years on how to defend against an attack. They all stood up there, and the 16 NATO and the 18 Partnership for Peace nations were all there, and the 34 flags were all lined up at the front of the meeting. They called the countries in turn, alphabetically, and raised the flag. From Albania on the one hand, to the other end of the line was the United States of America. They were all there. The good feeling that came from bringing these Defense Ministers together at the site where the military planning had previously been done on how they would fight with each other, to come together to plan cooperatively for peacekeeping operations was very important.

If you doubt the importance of NATO as an integrating institution, talk with any Defense Minister or Foreign Minister or Prime Minister of countries like Poland or the Czech Republic or the Slovak Republic or Ukraine. They all want to be a member of it because they see it as the security institution which has the capability of integrating Europe.

There's a very interesting question, if all of these nations join, who would they fight against? It miscast the notion that a security alliance has to fight somebody.

One of the interesting, unadvertised benefits of NATO through the years is, because Greece and Turkey were both members of NATO, it helped ameliorate the security problems which otherwise would have occurred between those two nations. That sort of a function is also a function of a security institution, and that would be one of the functions of having countries like Ukraine and Poland in, if not in NATO, at least in this Partnership for Peace. That's a long-winded answer to the question, but it's an important issue. NATO plays a very important role in the future.

- Q: I was recently in Germany, and people were telling me a line will have to be drawn, again, through Europe. The only question is when and where? So I think the obvious next question would be how far east does integration go? After all, Russia has just been made a member of Partnership for Peace.
- A: That is the gut question. I'll give you a personal opinion about it. It bears on the meetings that the President's been having in Poland. Poland has been perhaps the most vocal of the Central and East European countries that they want to become members of NATO. They joined the Partnership for Peace, but that's not enough. They want to become members of NATO.

I have met with the Polish Defense Minister, I've heard his arguments on this, and I've told him as plainly as I know how that at this time in history, at least, I am not willing to support Poland becoming a member of NATO because that would draw the line, as you said, between Poland and Ukraine. That would push Ukraine into--which has a shaky political and social and economic system in any event--it would tend to push them in a way which would add to the fragility and the instability of that government, and may force a reforming of something like the old Soviet Union. That's something that Poland certainly does not want to happen, and yet I fear that drawing that line between Poland and Ukraine would increase the instability in Ukraine, and weaken their likelihood to succeed as an independent nation.

So I want to defer that action for some number of years, anyway, until we give countries like Ukraine a chance to stand on its own two feet and develop some confidence and stability in its own independence. That may be an issue we could

face a few years downstream as Ukraine and Belarus and those countries develop more and have more confidence in their own independence.

- Q: Do you accept the premise that a line has to be drawn at some point? Or can there be a nebulous...
- A: There's an existential reality here that there would be some members that would be members of NATO and other members that are not at any given time. That creates then an existential line. Now what people make of that and how they interpret it... We're trying now, through this Partnership for Peace, to say that's not an important line. We're trying to blur that line through the Partnership for Peace, and I think we're being relatively successful in that. I don't think the Czech Republic and the Poles feel that NATO is a threat to them because of that line. They want to join it, they don't want the line to be where it is, but nevertheless, they don't feel a threat.

So, yes, there are things we can do and would do to blur the line, but a line between Poland and Ukraine will be seen by the Ukrainians, no matter what we say or do, as a real problem.

- Q: That still, to me, leaves a question open about how far NATO's interests go if Russia is also in the Partnership for Peace. Is it realistic to think of NATO now being a Partnership for Peace and now having an implicit invitation to join NATO, is it realistic to think that Russia would...
- A: Being a member of Partnership for Peace does not provide any assurance of ever becoming a member of NATO. It's not simply a waiting period, a trial period. Some of the nations who have joined the Partnership for Peace have expressed no interest in ever becoming a member of NATO. Sweden and Finland, for example, have joined the Partnership for Peace for precisely the reason that the Partnership for Peace was created -- namely, to participate in peacekeeping operations. Both of those countries have a long tradition of peacekeeping operations.

In fact, I met with the Ministers of both of those countries back when we were proposing Partnership for Peace, and they were not planning to join at that time because they said we have no interest in joining NATO. I said this is not related to NATO membership. That neither guarantees NATO membership nor forces NATO membership. Therefore, you may believe you don't need to be in the Partnership for Peace, but the Partnership for Peace does need you. Those two countries have more experience in peacekeeping operations and in training for peacekeeping operations than almost any other country. It was on that basis, I think, they joined, because they thought they could contribute something to the multinational peacekeeping operation. We will be setting up training programs in those two countries as part of the Partnership for Peace to train leaders for peacekeeping operations.

- Q: On Haiti. Is an invasion of Haiti imminent? Is it unavoidable?
- A: It's not imminent. Whether it's avoidable... I don't think I'll try to forecast the future. Certainly, the actions we're taking now, relative to sanctions, are intended to avoid the need for an invasion. I think they have been effective in a way that the earlier sanctions were not effective, in that they actually hurt the leadership of Haiti. It's not just that they hurt the common people in Haiti. So they're putting an awful lot of pressure on the military leadership there. So I think it is reasonable to project that they could be effective in the purpose, and the purpose is causing the military government to voluntarily leave Haiti.

So what we're doing now is taking the actions that are precisely designed to avoid the need for an invasion.

- Q: And yet, U.S. ships are steaming towards Haiti. Bob Dole is criticizing the Administration for preparing...
- A: Bob Dole criticizes the Administration for every issue, not just that issue, so his criticism on Haiti should not be taken as a reflection of his view on Haiti.
- Q: At what point might an invasion become... Is that possible to say? Is there a line in the sand?
 - A: I just don't think I'd care to speculate on that.
- Q: Does the idea of an invasion of Haiti presuppose that there is a small group of people who are exploiting the country and oppressing it, and that group of people can be removed, rather than that there's a huge number, some hundreds of thousands of people say (inaudible) who are part of the whole operation and therefore can't be eradicated simply? Which is the situation?
- A: Our policy in Haiti looks at two different aspects of the problem. The first aspect is how do you get the leadership that overthrew the government of Haiti in the first place, the leadership that is presently, as we see it, oppressing the people.

The second aspect of that problem is once that leadership is out, what would it take to reconstruct a security system in that country in which the people could live reasonably free from fear? As you look at that question, you should not believe that there is just a handful of people that would be a problem with the government. There might be hundreds of people or even thousands of people. Therefore, the task of restructuring a security system in Haiti, whether the present leadership leaves voluntarily, or whether they're pushed out, that is the bigger task. That's what we direct a lot of attention to and that is what we're proposing, the so-called "UNMIH" which is a UN force that would go into Haiti after the leadership has left by whatever means, and help restore order into the society and a security system.

We see that as a big task that will take us some amount of time because the problem is not just with a handful of people at the top.

- Q: North Korea. With U.S. and North Korean negotiators meeting in Geneva, of course talking about a moving target. But can you tell us if you feel that Kim Il Sung is really ready to deal on his nuclear weapons building plans? Perhaps you caught the "New Republic" last week that had an article that credited you for having built the defense systems that battered Iraq's nuclear weapons program, that Kim Il Sung watched on videotape and is now making him think twice about going ahead with his weapons program. Is this the case?
- A: The simple answer to the question is that these talks will determine the answer to that question of whether Kim Il Sung is really serious.

There are, among the people who have followed this problem closely through the years, there are two very sharply different schools of thought on what Kim Il Sung is up to. One school of thought says that he believes the only way... Everybody agrees he's intent on surviving the regime and causing his dynasty to survive. There's no substantial disagreement on that. Now it splits into those who say he's concluded the only way he can allow his regime and his dynasty to survive is by having a nuclear weapon program, and that nothing we do or say are going to dissuade him from that, and everything he says or does is simply to deflect us from a determined program to stop that, is a stall routine. Those people say these talks are just one more attempt to stall.

There is another school of thought that says that he's putting this nuclear weapon program together as a bargaining chip to get other things he wants for the survival of the regime. Those other things he wants are recognition, trade and economic support.

Our negotiations will proceed as if it is the second. That is, we will be offering him a deal, which if the second alternative is right, he will probably accept. But, they're also proceeding on the fear that it may be the first.

That is why when President Carter returned and said that the North Koreans wanted to enter these talks, that is why we said we will agree to the talks only under the conditions that they stop the nuclear program while we're talking. We were very clear and very explicit that that had to be done. If this is just a stall, he, at least, is not getting any benefits of making more plutonium while we're talking. These talks may go on for many months, and we wanted to be sure that while we were talking, he was not processing plutonium.

- Q: Can we be sure of that?
- A: We can be sure he's not processing plutonium, yes. We got four agreements for going into these talks. First, they will not process the spent fuel

from plutonium. The second is they will not refuel the reactor. The third is that the IAEA inspectors will stay on-site to observe that. And fourth, the inspection equipment which is there will continue to stay there and continue to provide data. We can have complete confidence, as long as those conditions are being met, that they're not reprocessing that fuel, they're not making more plutonium.

Now, to be complete in my answer, I have to say that what's at Yongbyon is just the front end of the nuclear program. It leads up to and includes the production of the weapon-grade plutonium. Once you get that weapon-grade plutonium, then there's a back end to the bomb program somewhere in Korea. Small and not visible. It's not easy to see, not easy to monitor. There, what they do is what the bomb-makers call the physics of the thing. They take the plutonium and make a bomb out of it. We don't know what they're doing in that program while we're talking. But I believe, and certainly the basis of this proposition, is that the pacing item in their program is making the weapon-grade plutonium. That's what we've stopped, and that we have stopped with complete confidence. I am confident that there's no other facility in Korea capable of making large quantities of plutonium, but I cannot tell you what other facilities they have that can take plutonium and manufacture a bomb. That could be done in a small underground facility which we would not see.

- Q: Has a preemptive strike on any of the North Korean nuclear facilities been ruled out?
 - A: It's not ruled out, it's not ruled in, and it's not imminent. (Laughter)

A preemptive strike on that nuclear facility can be done and can be effective in stopping them from making plutonium. That's a pretty straight-forward way of doing it. There are a lot of downsides to doing it. It is not a decision, certainly, which I would recommend to be taken lightly. You can list half a dozen minor downsides such as the possibility of splattering plutonium around, but the major downside is the possibility that it would start a major all-out war on the Korean Peninsula. I'm old enough to remember the last war vividly, and it's certainly not anything which we would... We would never take an action in which that risk was there unless we thought there was no other clear alternative. We have lots of alternatives to pursue before we even have to think about that. We are pursuing those other alternatives now.

- Q: Assuming an agreement is reached in Geneva, the agreement that we want, are the safeguards, the IAEA safeguards and inspections, are those adequate to ensure that Kim Il Sung does not sneak off and reprocess plutonium someplace else, or continue to build a nuclear weapons program?
- A: It depends on the nature of the agreements. If they keep the nuclear reactor at Yongbyon operating and simply put the product from it under control,

then it is possible for them to go ahead and process the spent fuel and generate plutonium and keep the plutonium under IAEA inspection control.

The problem with that is that any time in the future they decide to leave the IAEA they can, and then they're months away from having a lot of nuclear bombs. Therefore, I don't consider that a satisfactory outcome. That's why we are proposing other aspects. Not simply saying comply with IAEA, we're going beyond that. We're going beyond in three different respects.

First of all, we are asking them to send... We will be proposing to send the spent fuel out of the country to be processed in some other country. Sooner or later, that spent fuel has to be processed. So, the first proposal is take it out of the country for processing.

The second proposal is to convert the reactor, essentially disassemble the reactor in Yongbyon and we will help them find ways to build a so-called "light water reactor." Without getting into the technical details of what's the difference between a graphite reactor which they have now and a light water reactor, which we're proposing, the fundamental difference is that they lose control of the fuel with a light water reactor. Other countries would have to send them the fuel and then they'd have to send it back to other countries for reprocessing. Therefore, you could assure with great confidence that there was no plutonium being accumulated.

Finally, there is, in the north, outside of the U.S.-North Korean talks which began today, there is a set of talks scheduled between North Korea and South Korea to begin, I think it's July 25th, toward the end of the month. Part of those talks is to follow up on an agreement which the North and South have already made that there be no reprocessing of fuel anywhere in Korea and that there be a nuclear-free peninsula. Those agreements give us, in a sense, the legal and political basis for asking for provisions beyond IAEA provisions. The IAEA provisions don't go far enough to give us the confidence that we would not have to worry about a nuclear program.

- Q: You were no stranger to the Pentagon or to defense questions when you got this job, but you also had not been the man principally responsible for it. What has been the biggest surprise about actually sitting in the Defense Secretary's office?
- A: I had been out of government, as you know, for 12 years. I'd been there from '77 to '81, and, when I came back in '93, I had been living out here in the hinterlands for the 12 years in between. You get a very different perspective from California than you do being inside the Beltway. There were a lot of changes in those 12 years, which I had been observing, but still not up close.

First is that the relative power between the executive branch and the legislative branch has shifted, more in Congress than the executive branch, during that 12 year period. Congress plays a more important role in national security and defense issues now than they did during the '70s, I would say, by quite a bit. So, that was one surprise.

Secondly was that the very important change, which was already underway in the late '70s, had fully manifested itself by '93, and that was that our military had become far more capable... Our military people had become more capable, more professional, and there was a quality of excellence in military personnel by '93 which was not there in the mid '70s. It was a palpable difference, and it reflected, I think, several things.

First of all, when I went in the Pentagon first in '77, it was just a year or two after the Vietnam War had shut down. For a variety of reasons, the morale of the force was very low then. Also, they were going through a major drawdown in funding at that time. They elected to do that drawdown then by keeping the size of the force the same, and by taking all the money out of support, what we call the O&M budget, the Operations and Maintenance Budget. That meant there wasn't much money left for training and for exercises and flying airplanes and ships, and that led to what people called the "Hollow Army." I saw the "Hollow Army" up close when I was in the Pentagon in the '70s and it really was hollow--partly because of the low morale from post-Vietnam, partly because of this decision made to take all of the defense reductions out of O&M and keep the forces the same.

The third factor was that we had decided a few years earlier to go from a draftee force to an all volunteer. That has been a great success story, but in the mid '70s we caught it in the process, in the transition. There was an awful lot of turmoil when we were trying to bring that system on line.

So this time, now that we have the all volunteer force that has had more than 15, maybe 20 years now of operation, and it is a great success story.

Secondly, this time when we made the decision to draw down, which really began before this Administration, it began in the late '80s, this time we decided to draw forces down, so we will have a substantially smaller military force than we had during the '70s or we had during the '80s, but that person for person and unit for unit, it will be just as capable. We will maintain the readiness and the training of units.

It takes a lot of money to keep the force at that high level of readiness. I've made that commitment. President Clinton has made that commitment, to spend whatever is necessary to do that. The consequence of that is two-fold, though. There's no free lunch. You're bringing the budget down 41 percent, which is what

it's going down over a ten year period in real terms. It has to come out of somewhere. A big chunk of it is coming out by reducing the force, by going from 2.1 plus million to 1.4 million. That's a one-third reduction in force. You notice one-third isn't 41 percent, though. That means we're still not taking it down quite as much, so we have to hit one of the other accounts heavier than 41 percent. You're living here in Silicon Valley, you know what account we chose. It was the modernization account, procurement account. So, we're buying equipment for the military forces, that budget has gone down two-thirds, something over 60 percent. But the O&M account actually is going through a slight increase during this period.

So, those are the decisions that we made, and we made those decisions in terms of maintaining the surprise that you talked about, which is the professionalism and the quality of the U.S. military forces. That's a legacy which I inherited, which I want to be able to pass on to my successor. The most important action I can take to effect that is in the allocation of resources, in the budget which we do each year.

It's a tough issue because it's tough to cut the forces, it's tough to close bases. In Silicon Valley, they can tell you it's tough to cut the modernization budget to the extent we've cut it.

The alternative to that is going back to the "Hollow Army" which is at the top.

- Q: How do you actually spend your time? I know on a given day you've got to respond to whatever the current crisis is. But when you look at the time you've had in the job, about what portion of it goes to different things?
- A: I actually have my office keep track of that and try to organize it in different ways so I can look at this retrospectively. I have looked at it retrospectively. About a fourth of my time is spent dealing with my counterparts in foreign countries--either visiting them or having them visit me. That's a big chunk of my time, dealing with the Russian Minister of Defense, the British, the German, the French, the Italian, the Japanese. In another week and a half I'm going to the Balkans. I'll be meeting with each of the Ministers of Defense of Albania, Bulgaria, Romania, Greece, Turkey, Italy, and also visiting Sarajevo and Macedonia. I'll be visiting not to meet the Minister of Defense there, but because we have troops based in Macedonia and I want to visit them.

When you aggregate that kind of activity up, plus the visits to this country-every Minister of Defense wants to visit the American Secretary of Defense. That takes a lot of time, and I don't begrudge that time. I think that is time well spent. Both in terms of the ability to get our messages across to them, but just as importantly, the ability to understand what's really on their minds.

We have an important issue, a crisis in the world of one sort or another, I like to be able to pick up the phone and call the Russian Minister of Defense or call the Ukrainian Minister of Defense or call the British Minister of Defense, and somebody I know and have dealt with on a first name basis, I can discuss this issue with them. You can't always solve important security problems that way, but you can at least minimize the chance of a problem being aggravated by a miscommunication or a misunderstanding. So, about a fourth of my time is spent in that regard.

Another fourth of my time, one way or another, is spent with Congress-justifying to Congress, meeting, one-on-one or in small groups with congressional members, preparing for testimony, picking up the pieces after testimony. There are all sorts of problems. This is where our funds come from. If I looked at myself as the CEO of the Pentagon, this is my Board of Directors. So, I need to pay a lot of attention to them, because that's where my resources come from.

Those are probably the two biggest, single chunks. The third chunk right after that comes from what I told you about this trip here. It's going out to bases, meeting with our troops, meeting with the military personnel. Partly so I can see and hear and get a better perspective of what their issues and problems are, rather than depending on just reports to get that, and partly to communicate to them, to let them know they've got a Secretary who cares about what they're doing and is trying to help them achieve their missions. Those are the three big components.

- Q: You mentioned twice that Congress has more influence over all of this than it did a few years ago. Is that a good influence?
- A: I think on balance, I am a strong supporter of... There are several features which are wrapped up in that, one of which is the balance of power between the executive and the legislative branch. I think it's appropriate that the executive branch and officials of the executive branch have to contend with an answer to a separate branch of government, as inconvenient and annoying as that is sometimes.

Secondly, it's an important principle, which we take for granted in the United States but doesn't exist in lots of other countries, that is the civilian control of the military. That civilian control has several manifestations to it. A civilian Secretary of Defense, a civilian President. But, it also has all of the resources of the Defense Department and comes from the Congress.

When I meet with the Russian Minister of Defense and talk with him about what it's going to be like to be a Minister of Defense in a democracy, the thing he has the hardest time understanding is that he has to deal with the Duma. Why should he have to deal with them, he thinks. They don't know anything about military affairs. I'm the military professional. I should simply tell them what I

need and they will provide it to me. The idea of having a hearing, a discussion, a debate with them is very hard for him to understand.

One of my minor agendas is trying to get this education across to the Ukrainian and Russian Ministers of Defense, how you deal with a congress in a democracy. That means with a lot of care, and a lot of patience, and spending a lot of time with them.

On balance, I think it's good. It's always harder to get something done. I think I know exactly the right thing to do. I'd just like to go out and do it. Instead, you have to work through the executive branch, have to work with the Congress. On the other hand, it minimizes the chance of making a really stupid mistake.

I used to look at the Soviet system of military procurement, for example, and think wouldn't it be wonderful to just say what you want to do and go out and do it, which is pretty much the way their system operated. There was certainly no legislative restraint on it. Then, as you look at it closely and see some of the really big, stupid mistakes that they made, the hundreds of billions of dollars that they spent on an air defense system where we spent none on that because we concluded that air defense systems cannot stop airplanes or missiles from penetrating the territory. The Russians, I don't think, thought that through. They can make air defense systems, so they did and built them and deployed them all over the country. There are numerous examples of the kind of stupid mistakes you can make and perpetuate for decades if you don't have a check and balance system.

Thank you all very much. I enjoyed talking to you.

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